

ACT 175

H.B. NO. 2196-82

A Bill for an Act Relating to the Contractors License Law.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Chapter 444, Hawaii Revised Statutes, is amended by adding a new section to read:

**"§444-11.1 Requirements to maintain license.** A licensed contractor shall have and maintain in full force and effect the following:

- (1) Workers' compensation insurance when licensee is not authorized to act as self-insurer under chapter 386.
- (2) Liability insurance from an insurance company or agency for comprehensive personal injury and property damage liability.
- (3) Bond when required by the board, under section 444-16.5.

Failure, refusal or neglect of any licensed contractor to maintain in full force and effect, the applicable workers' compensation insurance, liability insurance or bond shall cause the automatic suspension of the license of the contractor effective as of the date of expiration or cancellation of its workers' compensation insurance, liability insurance or bond.

The board shall not reinstate the affected license until satisfactory proof of insurance and bond coverages is submitted to the board as required by this section.

Failure to effect a reinstatement of a suspended license within sixty days of the expiration of the requirements of licensing shall cause it to be terminated, thereby forfeiting all license, biennial renewal and recovery fund fees.

The board may assess a fee not to exceed \$1,000 as a condition for the reinstatement of a license suspended pursuant to this section.

A licensee may, within fifteen days after receipt of the notification of the license suspension, request an administrative hearing to review the suspension pursuant to chapter 91."

SECTION 2. New statutory material is underscored.<sup>1</sup>

SECTION 3. This Act shall take effect sixty days after its approval.

(Approved June 5, 1982.)

**Note**

1. Edited pursuant to HRS §23G-16.5.